

**ABSTRACT**

A content distribution system and method which prevents unauthorized access to secured content such as movies and music. The apparatus includes a source, a receiver, an authorized security device such as a conditional access module (CAM) for decrypting authorized content, an output device for outputting content and a backend for managing accounts and system operations. One aspect of this invention provides a mechanism for providing secured content on a medium such as a DVD optical disc. These devices may verify that there is authorization to play the secured content, add watermarks to the secured content, convert the secured content to a displayable form and provide a means for preventing output of the secured content.

09300356 "061501